



March 6, 2006  
Ex Parte Presentation  
Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: Federal-State Joint Board on Universal Service, CC Docket No. 96-45

Dear Ms. Dortch:

Upper Iowa University writes this letter to express our concerns that a number-based contribution mechanism could have a substantial on this institution, a non-profit organizations operation.

We have calculated that our per-month federal universal service obligation would increase from about \$300 per-month to over \$1,000 per-month if a number-based approach were adopted, assuming that the per-number fee was \$1.00.

We may be forced to exclude our resident's halls from having in room phone access to minimize the additional cost impact.

Upper Iowa University] does not have resources to [dedicate to cover this significant increase. If implemented, the FCC's action would require difficult decisions with respect to institutional priorities, including, but not limited to the following:

- \* the elimination of individual telephone service for students in campus housing.
- \* the reduction in numbers assigned to professors and researchers operating in multiple locations, thereby limiting their access to students and their research.
- \* the reconfiguration of the campus network to an extension-based system under which the institution would maintain a single call-in number.

- \* the return of number resources over semester breaks and the elimination of number reserves earmarked for future campus priorities. The shift in policy with respect to maintaining number blocks would significantly impact campus community and pose potential public safety concerns with the elimination of the traditional four-digit dialing within the campus.
- \* delays in efforts to upgrade and modernize telecommunications facilities on campus, limiting our ability to invest in research networks, i.e., Internet2, and new innovative services/technologies.
- \* The Commission should recognize that enterprise customers include not only Fortune 500 companies, but also many not-for-profit organizations, including colleges and universities, local and state governments, charitable organizations, and medical institutions. These entities do not have the resources to internalize significant increases in regulatory fees.
- \* We are particularly concerned with any reform that requires enterprise customers to shoulder a heavier universal service burden than they do today in comparison to residential customers. The FCC should reject any efforts to establish a residual funding mechanism under which enterprise customers are responsible for all funding above a certain per-number fee for residential customers.
- \* The Act requires universal service contributions to be equitable, yet based on the current record in this proceeding; it remains unclear if a pure number-based approach could fully satisfy this basic requirement of Section 254.
- \* We fully support the goals of universal service, and commend the FCC for their efforts to extend telecommunications services to all Americans. It is, nevertheless, essential that the Commission also address universal service distribution issues by controlling future fund growth and limiting any waste within the program.
- \* The contribution factor for the universal service program has been stable for the last three quarters, which calls into question the need for immediate reform of the current revenue-based approach.
- \* We have further concerns with how non-number-based services, including special access services, would be assessed under a number-based approach, particularly with respect to double billing. Because a large proportion of special access services already have associated numbers, there is no basis to separately assess special access services in addition to working numbers.
- \* It is our understanding that advanced data services for residential customers (DSL and cable modem service) are exempt from universal service

**Executive Director of Operations**

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obligations. The same exemption should apply equally to enterprise data services and special access services.

Upper Iowa University]

\* supports efforts to modify a number-based proposal through a hybrid approach or through number equivalencies for enterprise customers (i.e., assessments based on PBX trunks not individual numbers).

\* believes that any reform in this proceeding should not substantially disadvantage any particular class of customers, including enterprise customers and low-volume residential customers.

Respectfully submitted,

Ronald Crooker  
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Upper Iowa University  
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